

C S
310.6
AUS
B



**AUSTRALIAN
STATISTICS
ADVISORY
COUNCIL**

**Annual Report
1981-82**



**AUSTRALIAN
STATISTICS
ADVISORY
COUNCIL**

Annual Report

1981-82

Australian Government Publishing Service
Canberra 1982

ABS Catalogue No. 1002.0

© Commonwealth of Australia 1982

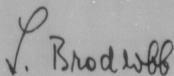
ISSN 0155-0780

Printed by C. J. THOMPSON, Commonwealth Government Printer, Canberra

The Honourable John Howard, M.P.
Treasurer of the Commonwealth of Australia

I have pleasure in submitting the Report of the Australian Statistics Advisory Council for the year ended 30 June 1982.

The Report outlines the work undertaken by the Council and is submitted to you for presentation to Parliament under section 24(2) of the *Australian Bureau of Statistics Act 1975*.

A handwritten signature in dark ink, appearing to read 'L. A. Brodrigg'. The signature is fluid and cursive, with the first letter 'L' being particularly large and stylized.

L. A. BRODRIGB
Chairman

2 August 1982

MEMBERSHIP OF COUNCIL, 30 JUNE 1982

Dr L. A. Brodribb, AM (a)	Chairman
Mr R. J. Cameron, CB	Australian Statistician
Mr G. D. Allen	Director, Australian Industries Development Association
Mrs Y. J. Bain	Treasurer, National Council of Women of Australia
Mr W. Boetcher	Primary Industry Association of Western Australia
Mr R. G. Bowe	Director, Policy and Research Division, Treasury Department, Western Australia
Dr N. R. Conn	Under Treasurer, Department of the Treasury, Northern Territory
Mr D. J. Delaney	First Assistant Secretary, Department of the Premier, Victoria
Mr E. A. Evans	First Assistant Secretary, Department of the Treasury
Mr P. H. Goddard	Assistant Under Treasurer, Treasury, Tasmania
Prof. M.S.T. Hobbs	Associate Professor of Social and Preventive Medicine, University of Western Australia
Dr P. D. Jonson	Chief Manager, Research Department, Reserve Bank of Australia
Dr M. S. Keating	First Assistant Secretary, Department of the Prime Minister and Cabinet
Mr J. O. Llewellyn	Executive Director, Australian Finance Conference
Mr P. O. Miller	Partner, Miller, Milston and Ferris
Mr N. Oakes	Secretary and Comptroller of Accounts, The Treasury, New South Wales
Mr R. N. Overall	Research Officer, Australian Council of Trade Unions
Mr L. G. Pitt	Commissioner, Department of the Public Service Board, Queensland
Mr R. J. Rechner	Corporate Administration Director, The Myer Emporium Ltd
Mr A. M. Smith	Director, Industry Studies, Department of Trade and Industry, South Australia
Mr D. I. Stanton	Assistant Director-General, Department of Social Security

(a) Appointed Chairman 3 August 1981.

Changes in membership since 30 June 1981

August 1981	Sir John Phillips retired as Chairman (succeeded by Dr L. A. Brodribb)
November 1981	Dr N. R. Conn appointed as the nominee of the Chief Minister of the Northern Territory
	Mr E. A. Evans appointed to succeed Mr B. W. Fraser
	Mr L. G. Pitt appointed to succeed Mr J. E. McDonnell
	Mr D. I. Stanton appointed to succeed Mr A. S. Colliver
February 1982	Mr P. H. Goddard appointed to succeed Prof. J. McB. Grant
	Dr P. D. Jonson appointed to succeed Dr W. E. Norton
March 1982	Mr W. J. Orme resigned

Note: In this Report, after the first reference, the Australian Bureau of Statistics is referred to as the ABS or the Bureau, and the Australian Statistics Advisory Council as ASAC or the Council.

INTRODUCTION

The Australian Statistics Advisory Council was established by the *Australian Bureau of Statistics Act 1975*.

This is the sixth Annual Report of the Council, and is made in accordance with section 24(2) of the Act which provides that: 'the Council shall, as soon as practicable after 30 June in each year, prepare and submit to the Minister, for presentation to the Parliament, a report relating to matters connected with the operation of this Act'.

Under section 18(1) of the *Australian Bureau of Statistics Act 1975* the Council is to advise the Minister and the Statistician on:

- (a) the improvement, extension and co-ordination of statistical services provided for public purposes in Australia;
- (b) annual and longer term priorities and programs of work that should be adopted in relation to major aspects of the provision of those statistical services; and
- (c) any other matters relating generally to those statistical services'.

The Act enables the Minister or the Statistician to seek the advice of the Council on these matters. The Council also offers advice on these matters to the Minister or the Statistician when it considers it appropriate to do so.

SUMMARY OF THE YEAR'S ACTIVITIES

Dr Lisa Brodribb, AM, was appointed Chairman of the Council for a term of 5 years commencing on 3 August 1981. Dr Brodribb succeeded Sir John Phillips, KBE, who had been Chairman of the Council since its inception in 1976.

Council records its warm and sincere appreciation of Sir John Phillips' five year Chairmanship of the Council, and acknowledges his contribution to the positive direction taken by Council in its formative years.

Council meetings

During 1981-82 the Council held three meetings in Canberra; on 8 July 1981, 11 November 1981 and 10 March 1982.

Council considered a wide range of topics at these meetings and a report on the most significant of these follows.

Commonwealth-State statistical relations

Following discussions between ABS and State officials on the statistical service provided to States by the ABS and the adequacy of existing arrangements for consultation, Council's advice was sought on the need for some form of multilateral consultation at a more general level than that provided by bodies such as the National Committee on Health and Vital Statistics (NCHVS) and the Standardisation of Social Welfare Statistics Project (WELSTAT), and at a more detailed level than would be appropriate for the Council.

Council agreed that such an additional form of consultation would give the States better access to the ABS in regard to their statistical needs. Effective consultation and co-ordination are increasingly important in view of the rising demand for statistics by Commonwealth and State governments in the face of continuing resource constraints.

Council also agreed that an augmented Conference of Statisticians represented the most suitable forum for discussion. Each State government has now been asked to nominate a representative to participate in the Conference of Statisticians. Such a forum, in conjunction with that provided by ASAC and specialist bodies, will enable a cohesive State viewpoint to be presented to the ABS.

ABS work program, 1982-85

Council considered the proposed ABS forward work program and staff estimates for 1982-85, together with information concerning activities planned for each project over this period and the costs incurred on each project during 1978-81.

Council examined the ABS efforts to keep the whole range of its activities under review and the extent of changes in the ABS work program in recent years.

Council emphasised the importance of identifying the actual use made of statistics in order to assess their value and justification and gave particular attention to:

- the usefulness of input-output tables, particularly in view of the time lag involved in their production;
- pressures for further development of the wholesale price index of materials used in manufacturing industry;
- the collection of agricultural finance statistics on a triennial, rather than an annual, basis, thus reducing the data available to measure the effect of important, short-term movements on the agricultural sector;
- the need for an annual manufacturing census; and
- the ABS role in the National Income Forecasting Model.

Council regretted that it had not been given an opportunity to advise on statistical matters considered by the Review of Commonwealth Functions.

Quality of statistics

Over the past two years, Council has expressed concern about the possible effect on the quality of statistics if the ABS continues to meet new demands while still maintaining its existing program in the face of continuing resource constraints. This issue was raised again during Council's consideration of the 1982-85 forward work program and was addressed separately at a subsequent meeting, when Council focused its attention on the issues affecting the balance between the range of statistical output and its quality.

Council recognises that there are difficulties in attempting to measure changes in quality. There are problems in defining what standard of quality is adequate, as different levels of accuracy are required by different users. Quality has many dimensions, including timeliness, accuracy and reliability, which are affected by response rates, methodology, overlap of new and old series etc. Council concluded that, generally speaking, it had been reassured by its review of these aspects of ABS output, while regretting that resource constraints had severely limited the extent of overlap of old and new collections. Nevertheless, Council emphasised that the quality of statistics should remain a prime consideration of the ABS.

1981 Population Census

Council discussed the schedule for the release of results from the 1981 Census and was pleased to note that all stages of processing were running to plan. In view of the importance of the results to users, Council urged that the release of results should proceed with all possible speed.

Council welcomed the publication of *Census 81-Data Release Plans* (2142.0) and commended the ABS for its efforts in publishing a series of information papers on the data to be released. Such action is in line with Council's belief that statistics of general interest should be given the widest possible distribution.

As reported in the 1980-81 Annual Report, Council was closely involved in the development of the public awareness program conducted for the Census. Council was gratified by the success of the program, which had achieved community support for the Census and had contributed to a significant reduction in under-enumeration and non-response. A better understanding of the Census had been evident in media coverage and in comment by interested community organisations, many of which gave important assistance towards the success of the Census.

Health-welfare statistics

As foreshadowed in the 1980-81 Annual Report, Council considered a report from the Social Welfare Policy Secretariat (SWPS) on the health and welfare data requirements of the State government and non-government sectors.

Council expressed some concern about the effectiveness of the consultation process that SWPS had undertaken with State government departments and whether the conclusions of the report adequately reflected State government statistical needs in this area.

The ABS provided Council with an outline of the measures it proposed to meet the needs which were detailed in the report and to meet other specific State needs in the health and welfare field, which had been identified in the course of regular State-ABS consultations. These measures include provision of advice on area-specific surveys, assistance with the development of administrative by-product data, and greater accessibility to existing ABS data. Measures to provide advice to non-government users on problems of small area data and on the availability of statistics, through the Bureau's consultation and information services, were also proposed. Council endorsed the ABS proposals. Council urged the ABS to continue its regular consultation with State government agencies and to seek the expertise of non-government agencies in the development of special collections, as it did with the 1981 Survey of Handicapped Persons.

At a subsequent meeting Council considered a report on the activities of the WELSTAT project and the National Committee on Health and Vital Statistics (NCHVS), which had been prepared by the ABS in response to Council's expressed interest in statistical co-ordination.

In regard to WELSTAT, Council noted that the considerable task involved in the co-ordination of the relevant agencies, and the limited resources available to assist and advise these agencies on the implementation of the WELSTAT work program, meant that progress was only gradual. However, Council agreed that WELSTAT is proving to be increasingly effective in the co-ordination of welfare statistics, and emphasised the need for continuing commitment by the ABS and other relevant agencies.

Council endorsed recommendations being put forward for the creation of a full-time secretariat to service the NCHVS, and the creation of a working level below the present Committee level to advise it on the development of standards—measures which Council considers will increase the effectiveness of the NCHVS.

State economic accounts and population estimates

Council considered a paper on the practices adopted overseas in relation to the compilation of regional economic accounts and their relevance for Australia.

Strong State government interest in regional (State) economic accounts was expressed during Council's discussion of this paper. Council noted the Bureau's advice that although it is possible to compile measures of State gross product from existing sources, such estimates would not be sufficiently reliable to support meaningful regional analysis. Substantial resources would be needed to develop new collections to upgrade data sources. It was agreed that States should provide the ABS with a statement of their need for, and envisaged use of, regional accounts, and that the ABS should then produce an occasional paper on the subject of regional accounting estimates.

Council indicated an interest in reviewing the assumptions underlying State population projections and the bases of State population estimates.

Report of the Joint Committee of Public Accounts (PAC)

Council considered the Joint Committee of Public Accounts Report No. 192 on the collection and dissemination of statistics which had been presented to Parliament as a discussion paper in October 1981. The Committee's recommendations canvassed three main issues—co-ordination of official statistics, use of taxation data for statistical purposes, and ABS charging procedures—all of which have been the subject of Council's deliberations in the past.

In considering the Report and the proposed ABS response to its recommendations, Council reaffirmed its general position on co-ordination, conveyed to the Treasurer in July 1980, namely that co-operation and consultation between the ABS and other Commonwealth agencies is more likely to be productive than an obligation for such agencies to obtain approval for proposed collections from the ABS.

Council has some reservations about the benefits to be gained by instituting formal procedures for the authorisation and review of data collections. However, Council supports the establishment of a central register to be consulted by any agency intending to undertake statistical collections to determine whether information is already available from other sources. Council considers that the annual *ABS Catalogue of Publications, Australia* (1101.0) and the catalogue produced from the periodic survey of statistical collections conducted by Commonwealth departments and authorities, which was compiled initially at the request of ASAC, provides a suitable basis for the development of such a register.

Council has kept close watch on the progress of proposals to allow access by the ABS, on a confidential basis for purely statistical purposes, to information provided by individual businesses to the Australian Taxation Office. Council noted with interest the PAC recommendation that the *Income Tax Assessment Act* 1936 be amended to allow such access. While Council is aware of the difficulties associated with the use of such data, it agrees that the proposed pilot study, using tax data on identified small businesses in a restricted sample, could be instrumental in clarifying whether taxation data can in fact provide a suitable basis for the compilation of economic statistics.

Members of the Council supported the PAC recommendation relating to the extension of the present ABS charging policy to cover a much higher proportion of publications.

Public relations

Over the past two years, Council has given considerable attention to the need for the ABS to improve its relations with the public, respondents and users, and has urged the Bureau to be more active in explaining the reasons for its collections, the range of statistics available, and action taken on important issues such as efforts to reduce reporting burden. During this year Council discussed a report on ABS public relations.

A proposal to establish a small central public relations unit within the Bureau, staffed with experienced professionals, is strongly supported by Council. Such a specialised unit would greatly assist the Bureau by providing more effective communication with respondents, by widening the dissemination of information to all sections of the community, and by obtaining feedback.

Council urged that the services of members, who represented a wide spectrum of the community, should be utilised by the unit whenever possible, and expressed keen interest in being kept informed of progress.

Legislation

Council considered the Census and Statistics Amendment Bill (No. 2) 1981. Changes incorporated in this Bill were designed to authorise the Bureau to adopt more realistic data release practices, while preserving the confidentiality of the information provided to the Bureau. Council is pleased to note that amended wording it had suggested concerning ABS powers of entry was accepted by the Government and incorporated in the Act.

General

At meetings of the Council during the year, ABS officers presented papers on various aspects of the Bureau's activities. These included a progress report on the review of the Consumer Price Index (CPI), the recommendations arising from an ABS review of employment statistics, and a report on the social indicators project.

In discussion on the review of the CPI, Council considered the problems associated with the inclusion of housing mortgage interest, the frequency with which prices data should be collected, and the proposed inclusion of new items.

In relation to the review of employment statistics, Council noted ABS plans to introduce a new survey of employers to replace information previously obtained from processing payroll tax returns. Council was informed that the ABS was taking steps to offset increased respondent burden imposed by the new survey by discontinuing one survey, restricting the frequency of another, and by suggesting that State tax authorities remove the question on employment from their payroll tax returns.

Council was pleased and impressed by the ABS publication *Social Indicators, Australia, No. 3* (4101.0) and made a number of suggestions for consideration by the ABS for future editions.

Among the matters which Council will pursue in 1982-83 are the development of the next household expenditure survey, regional economic accounts, and State population estimates and projections.

The Council wishes to acknowledge the help received from the Statistician and his officers in providing detailed information, and the courtesy and efficiency with which secretariat and other services have been made available.

AUSTRALIAN STATISTICS ADVISORY COUNCIL Annual Report 1981-82